

## § 4280.110

## 7 CFR Ch. XLII (1–1–06 Edition)

provided that all applicable construction practices, manufacturer instructions, and all safety codes and standards are followed during construction and testing, and the work product meets all applicable manufacture specifications, and all applicable codes and standards. The prime contractor remains responsible for all the overall successful completion of the project, including any work done by the grantee, or

(ii) A grantee who can demonstrate to the Agency that the grantee has the necessary experience and other resources to successfully complete the project may serve as the prime contractor/installer. Projects where the grantee serves as the prime contractor will need to secure the services of an independent, professionally responsible, qualified consultant to certify testing specifications, procedures, and testing results.

(4) *Project completion.* The project is complete when the applicant has provided a written final project development, testing, and performance report acceptable to the Agency. Upon notification of receipt of an acceptable project completion report, the applicant may request grant reimbursement. The Agency reserves the right to observe the testing.

(5) *Insurance.* Section 4280.113 applies, except business interruption insurance is not required.

### § 4280.110 Grant funding.

(a) The amount of grant funds that will be made available to an eligible project under this subpart will not exceed 25 percent of total eligible project costs. Eligible project costs are specified in paragraph (c) of this section.

(b) The applicant is responsible in securing the remainder of the total eligible project costs not covered by grant funds. The amount secured by the applicant must be the remainder of total eligible project costs.

(1) Without specific statutory authority, other Federal grant funds and applicant in-kind contributions cannot be used to meet the matching fund requirement. Third-party, in-kind contributions are limited to 10 percent of the matching fund requirement of the grant. The Agency will advise if the

proposed third-party, in-kind contributions are acceptable in accordance with 7 CFR part 3015 of this title.

(2) Passive third-party equity contributions are acceptable for renewable energy system projects, including those that are eligible for Federal production tax credits, provided the applicant meets the requirements of § 4280.107.

(c) Eligible project costs are only those costs associated with the items identified in paragraphs (c)(1) through (9) of this section, as long as the items are an integral and necessary part of the renewable energy system or energy efficiency improvement.

(1) Post-application purchase and installation of equipment (new, refurbished, or remanufactured), except agricultural tillage equipment, used equipment, and vehicles.

(2) Post-application construction or improvements, except residential.

(3) Energy audits or assessments.

(4) Permit and license fees.

(5) Professional service fees, except for application preparation.

(6) Feasibility studies and Technical Reports.

(7) Business plans.

(8) Retrofitting.

(9) Construction of a new energy efficient facility only when the facility is used for the same purpose, is approximately the same size, and based on the energy audit will provide more energy savings than improving an existing facility. Only costs identified in the energy audit for energy efficiency improvements are allowed.

(d) The maximum amount of grant assistance to one individual or entity will not exceed \$750,000 per Federal fiscal year. For those applicants that have not received a grant award during the previous 2 Federal fiscal years, additional points will be added to their priority score.

(e) Applications for renewable energy system grants will be accepted for a minimum grant request of \$2,500 up to a maximum of \$500,000.

(f) Applications for energy efficiency improvement grants will be accepted for a minimum grant request of \$1,500 up to a maximum of \$250,000.

(g) In determining the amount of a grant awarded, the Agency will take

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into consideration the following six criteria:

(1) The type of renewable energy system to be purchased;

(2) The estimated quantity of energy to be generated by the renewable energy system;

(3) The expected environmental benefits of the renewable energy system;

(4) The extent to which the renewable energy system will be replicable;

(5) The amount of energy savings expected to be derived from the activity, as demonstrated by an energy audit comparable to an energy audit under 7 U.S.C. 8105; and

(6) The estimated length of time it would take for the energy savings generated by the activity to equal the cost of the activity.

### § 4280.111 Application and documentation.

The requirements in this section apply to grant applications under this subpart.

(a) *General.* Separate applications must be submitted for renewable energy system and energy efficiency improvement projects. Applicants may only submit one application for each type of project per Federal fiscal year. An original and one complete copy of each application are required that follow the outline below. Each application must include a Table of Contents with clear pagination and chapter identification.

(b) *Grant application content.* Applications and documentation for projects using the simplified application process, as described in § 4280.109, must provide the required information organized pursuant to the Table of Contents in a chapter format presented in the order shown in paragraphs (b)(1) through (3) and (b)(5) through (7) of this section; paragraph (b)(4) of this section does not apply for projects using the simplified application process. Applications and documentation for projects not using the simplified application process must provide the required information organized pursuant to the Table of Contents in a chapter format presented in the order shown in paragraphs (b)(1) through (8) of this section.

(1) *Forms, certifications, and organizational documents.* Each application must contain the items identified in paragraphs (b)(1)(i) through (iii) in this section.

(i) *Project specific forms.* (A) Form SF-424, "Application for Federal Assistance."

(B) Form SF-424C, "Budget Information—Construction Programs." A more detailed budget breakdown is required in the Technical Report.

(C) Form SF-424D, "Assurances—Construction Programs."

(D) Form RD 1940-20, "Request for Environmental Information."

(ii) *Certifications.* (A) AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative 1—For Grantees Other than Individuals."

(B) AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tiered Covered Transactions."

(C) Exhibit A-1 of RD Instruction 1940-Q, "Certification for Contracts, Grants and Loans," required by 7 CFR 3018.110 if the grant exceeds \$100,000.

(D) Form SF-LLL, "Disclosure of Lobbying Activities," must be completed if the applicant or borrower has made or agreed to make payment using funds other than Federal appropriated funds to influence or attempt to influence a decision in connection with the application.

(E) AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions."

(F) Form RD 400-1, "Equal Opportunity Agreement."

(G) Form RD 400-4, "Assurance Agreement."

(H) Intergovernmental consultation comments in accordance with 7 CFR part 3015, subpart V, of this title.

(I) Applicants and borrowers must provide a certification indicating whether or not there is a known relationship or association with an Agency employee.

(J) Applicants must provide certification that they meet the definition of demonstrated financial need, as defined in § 4280.103.

(iii) *Organizational documents.* Except for sole proprietors, each applicant